

## MORE ORE AT ROPER BAR IRON ORE PROJECT

**Western Desert Resources, a diversified resources business with a portfolio of quality mineral exploration assets in the Northern Territory.**

Western Desert Resources' vision is to be the leading low-cost iron ore producer in Northern Australia while generating wealth and prosperity for the people of the Roper and other regions where we operate.

### FAST FACTS

ASX Code	WDR
Issued Shares	393m
Market Cap	A\$290M

### DIRECTORS

Rick Allert	Chairman
Norm Gardner	MD
Mick Ashton	Director
Graham Bubner	Director
Phillip Lockyer	Director
Scott Perrin	Director

### COMPANY HIGHLIGHTS

#### Iron Ore

- Roper Bar & Mountain Creek projects (NT)
- Hematitic iron ore
- Total Inferred, Indicated & Measured Mineral Resource estimates of 611Mt @ 40% Fe including DSO grade of 47.4Mt @ 57.3% Fe
- Low impurities
- Mine development underway
- Proximity to coast and markets

#### Gold / Copper

- East Roper Project near Tennant Creek (NT)

### CONTACT DETAILS

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### Key Points:

- Initial mining demonstrates Direct Shipping Ore (DSO) grade is thicker and higher grade than anticipated. A 19% increase in DSO grade tonnage and a 2.5% (relative) increase in DSO Fe grade have been estimated from the initial mining area after grade control drilling<sup>1</sup>.
- Twinning of reverse circulation (RC) drill holes with diamond holes indicates potential for production grades to be higher than anticipated.
- Project remains on budget and on schedule for first export of DSO in 2013.

The Directors of Western Desert Resources Limited (ASX: WDR) are pleased to announce that initial mining and grade control drilling at the Roper Bar Iron Ore mine reveal higher Fe grades and increased thicknesses of DSO grade material<sup>1</sup> than predicted from pre-mining block models.

Furthermore, grade domain boundaries may have been smeared by RC drilling and a higher degree of mining selectivity than anticipated may be possible.

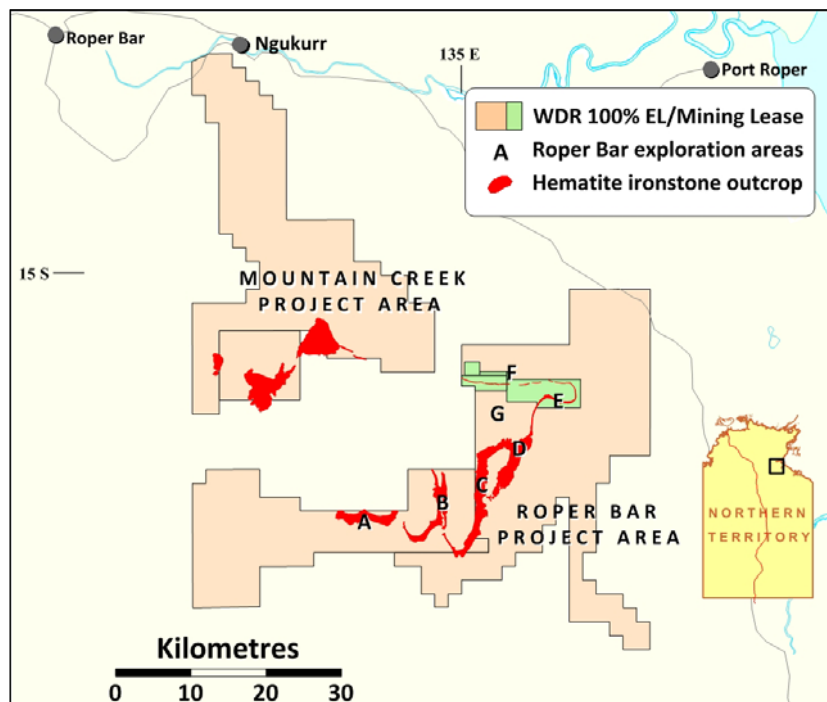


Figure 1. Roper Bar Iron Ore Province location plan

Mining operations commenced on schedule in July and ore is being delivered to the ROM pad. The ore will be crushed and screened, and then transported on WDR's privately-owned haul road to the export facility at Bing Bong. From there it will be barged to ocean-going vessels for export to international markets. Under an off-take Agreement announced to the market on 8<sup>th</sup> August, all product will be purchased by Noble Resources International.

In commencing open pit operations and undertaking further data analysis, there have been a number of positive findings which all point towards a conservative Mineral Resource at Area F (as reported in ASX release dated 5<sup>th</sup> April 2013). The pertinent findings are:

- Initial grade control drilling has shown that tonnages and Fe grades are higher than predicted from the pre-mining Area F block model. A 19% increase in DSO grade tonnage and a 2.5% (relative) increase in DSO Fe grade have been estimated from the initial mining area after grade control drilling<sup>1</sup>. Refer graph in Figure 2.
- Mining to grade boundaries is able to be accomplished cleanly, which is due to the sharp, visually distinctive contact of the DSO grade material with surrounding lower grade rock. This is leading to lower mining dilution than predicted. Refer Figure 3.
- Thickness of the grade units is slightly greater than initially modeled, which was expected due to a sampling edge effect which is evident when comparing RC data sampled at regular 1 m spacings with diamond core sampled at the sharp DSO grade boundaries. This will result in a greater than expected tonnage of DSO grade.
- RC sample data, on which the Mineral Resource estimate is largely based, shows a negative bias when compared with diamond core sample data in identical locations. This is particularly evident at Areas E-East and E-South and may result in higher than predicted grades in these areas. It also potentially increases the amount of material attributable to DSO grade category, while decreasing the amount of beneficiable material. Refer Figure 4.

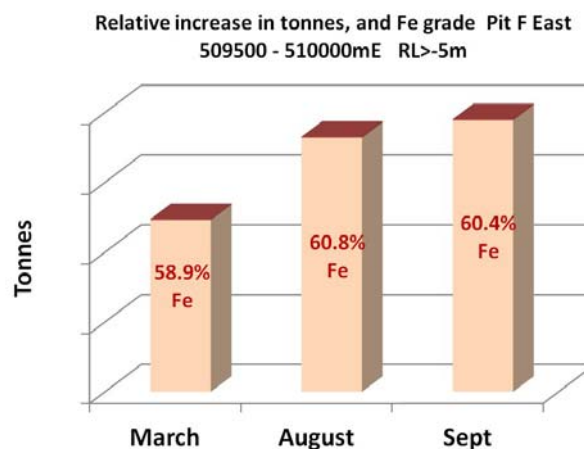


Figure 2. Graph showing relative increase in tonnage, and increase in Iron grade as more assay results become available from Grade Control drilling.



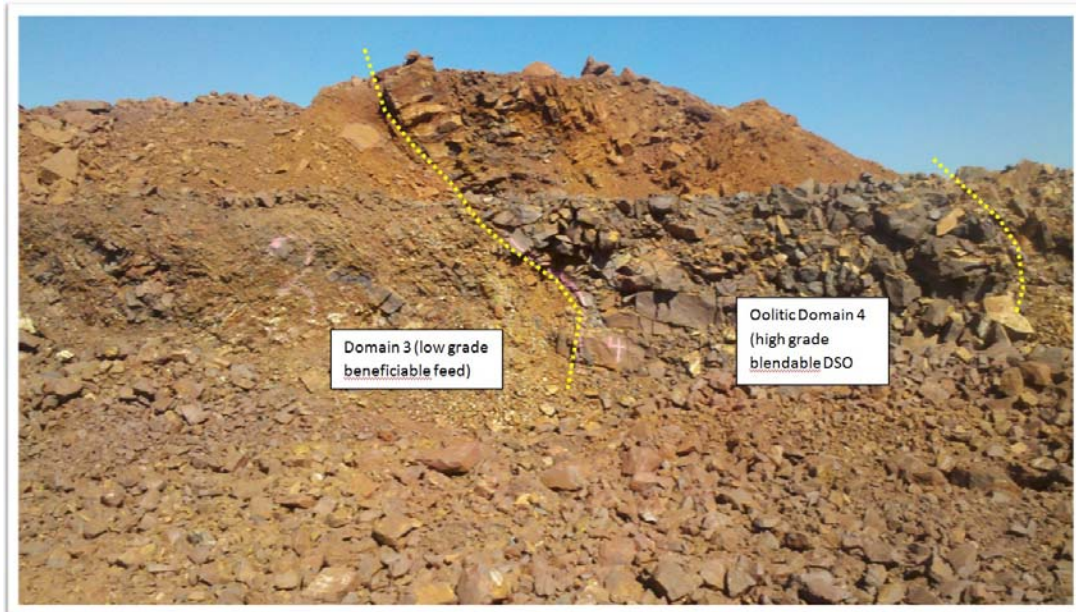


Figure 3. Visually distinctive oolitic domain (“Domain 4”)

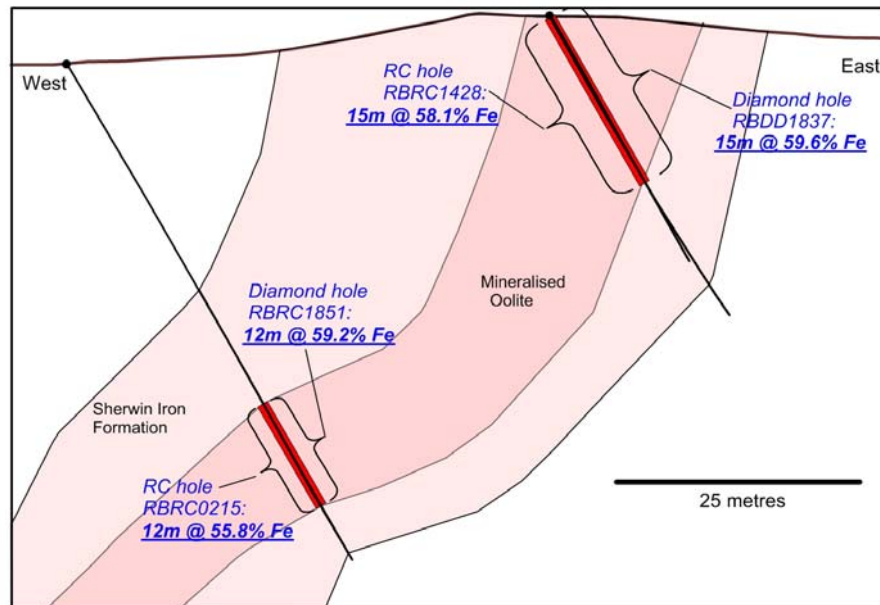


Figure 4. Area E-East Section 8,325,000 mN showing two examples of reverse circulation and diamond twin results with a clear increase in grades from diamond drilling

WDR Managing Director Mr Norm Gardner said “This an excellent result, whilst we have had suspicion for some time about under reporting grade, it is great to finally confirm with a robust grade control model. The additional tons and grade have the potential to significantly change the economics of the initial DSO grade stage of the project, and extend our DSO grade life.”

Works at the Roper Bar Iron Ore Project continue as scheduled, with first export of DSO grade material expected in 2013. Photographs of current works are included in Figures 5 and 6. More photos can be viewed on WDR's website at [www.westerndesertresources.com.au](http://www.westerndesertresources.com.au)



Figure 5. Mining operations at Area F East.



Figure 6. Mining operations at Area F East; ROM pad.

## Background

The Roper Bar Iron Ore Province covers about 1,800 km<sup>2</sup> within four granted exploration licenses in the Northern Territory and includes an estimated 100 km<sup>2</sup> of outcrop of the target Sherwin Formation which hosts extensive hematite iron ore horizons. The Province is divided into two project areas – Roper Bar and Mountain Creek.

### JORC Code Compliant Mineral Resource Estimates from WDR's Roper Bar Project (30% Fe Cut-off)

DEPOSIT AREA	Classification	Mt	Fe %	SiO <sub>2</sub> %	P %	Al <sub>2</sub> O <sub>3</sub> %	LOI %	Published
Area D	Inferred	90.7	37.2	31.5	0.008	3.2	9.6	Oct-09
Area D (north)	Inferred	116.5	40.3	26.3	0.002	2.2	11.0	Feb-11
Area E (south)	Inferred	17.5	36.1	30.8	0.003	2.4	12.4	Jun-12
Area E (south)	Indicated	75.8	38.7	29.9	0.005	2.6	9.9	Jun-12
Area E (east)**	Inferred	27.6	41.0	26.3	0.004	1.8	10.2	Jun-12
Area E (east)**	Indicated	15.6	41.2	26.3	0.004	1.9	10.0	Jun-12
Area E (east)**	Measured	28.3	42.2	26.4	0.004	2.0	8.9	Jun-12
Area F *	Inferred	216.1	41.3	31.0	0.004	2.9	4.9	Apr-13
Area F *	Indicated	15.7	47.3	24.9	0.006	2.7	3.0	Apr-13
Area F*	Measured	7.7	50.0	20.8	0.005	3.4	2.7	Apr-13
<b>TOTAL</b>		<b>611</b>	<b>40.3</b>	<b>29.2</b>	<b>0.004</b>	<b>2.6</b>	<b>8.1</b>	

\* Includes DSO grade of 30.8Mt @ 59.0% Fe, 9.9% SiO<sub>2</sub>, 2.5% Al<sub>2</sub>O<sub>3</sub>, 0.01% P and 2.0% LOI

\*\* Includes DSO grade of 16.6Mt @ 54.2% Fe, 15.9% SiO<sub>2</sub>, 1.2% Al<sub>2</sub>O<sub>3</sub>, 0.01% P and 4.0% LOI

**Competent Person's Statements**

*The information in this report that relates to Mineral Resources is based on information compiled by Mr Aaron Meakin and Mr Andrew Bennett. Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Aaron Meakin has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). All work relating to the estimation of mineral resources has been carried out under the supervision of Mr Aaron Meakin. Mr Andrew Bennett is a full-time employee of Western Desert Resources Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Andrew Bennett has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). All work relating to the classification of mineral resources has been carried out under the supervision of Mr Andrew Bennett. Mr Aaron Meakin and Mr Andrew Bennett consent to the inclusion of this information in the form and context in which they occur.*

*The information in this report that relates to Exploration Results is based on information compiled by Graham Bubner who is a Member of the Australian Institute of Geoscientists. Mr Bubner is a full-time employee of Western Desert Resources Ltd and has sufficient experience relevant to the styles of mineralisation under consideration and to the subject matter of the report to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). Mr Bubner consents to the inclusion in the report of the matters based on his information in the form and context in which they occur.*

*The information in this document that relates to Proven and Probable Reserves at Roper Bar Iron Ore Mine is based on a mine plan, a mine schedule and costs prepared by The Minserve Group Pty Ltd. Mr Jeff Jamieson was responsible for the Reserve Statement preparation. He is both a Fellow of the Australian Institute of Mining and Metallurgy, and a Chartered Professional (Mining) and is a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jamieson consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.*

**Data and methods used to complete the grade control block model.**

*Drill data is based on 10 m x 10 m grade control pattern from surface to 0 RL within the host Sherwin Iron Formation. Samples are collected at one metre intervals and sent to Bureau Veritas in Darwin for analysis. Samples are collected mostly dry from a rotary cone or riffle splitter and both duplicates and certified reference standards are inserted for quality control every 25 samples. Collars are determined by differential GPS and a downhole survey is performed at the completion of each hole. All validated geological and analytical data is recorded and stored in a secure SQL server. Geological boundaries are accurately interpreted by mine geologists on each section and grade interpolation has been completed using Ordinary Kriging by CSA Global Pty Ltd. Densities have been measured insitu (wet) using a calibrated downhole density probe (operated by Borehole Wireline Pty Ltd) and independently validated using water immersion techniques.*

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<sup>i</sup> This information has been derived from a subset of the model. Grade Control drilling completed elsewhere in the F East pit suggests these results are representative of a consistent pattern throughout the deposit. WDR anticipates announcing further results of this tenure in the near future.